



Main Office • 133 SW 2nd Ave, Ste 201 • Portland, OR 97204
Willamette Valley Office • 454 Willamette St, Ste 213 • Eugene, OR 97401
Southern Oregon Office • PO Box 2442 • Grants Pass, OR 97528

March 20, 2023

Sen. Kayse Jama, Chair, and Members
Senate Committee on Housing and Development
State Capitol
Salem, OR

Re: SB 1051, -2 amendment

Dear Chair Jama and Committee Members:

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice.

We are opposed to SB 1051, with the -2 amendment. The bill would allow a private landowner to petition a city to expand its urban growth boundary (UGB) into urban reserves for up to 200 acres if some of the land is available for “workforce housing” or a vague “workforce commercial” use.

SB 1051 would undermine a very effective urban planning tool and is contrary to commitments we just made in the Oregon Housing Needs Analysis (OHNA) bill, now part of HB 2001. HB 2001 is where improvements and expansions to the use of this tool are focused; we did not expect to see a different approach in a different bill.

Urban growth boundaries are designed to encompass approximately 20 years of land to meet all urban needs. Urban reserves are an *optional* tool that cities can use to designate where their UGB will expand, if needed, for a 20-30 year time frame beyond the existing UGB, for any urban use. This tool has been on the books for about two decades. Two large regions (Metro area and the Rogue Valley) and several cities have designated urban reserves.

Urban reserves serve several functions. They provide cities the ability to do long range infrastructure planning and financing. And, because urban reserves are designated through a public, community process of thinking about where urbanization will occur in the future, if and when a need is shown, an expansion is much less contentious because the “where” has already been answered. We have seen this work many times already in the Metro area and the Rogue Valley, where regional urban reserves have been designated. UGB expansions – into already agreed-upon urban reserves - have occurred in both places with little or no contention.

SB 1051 is also contrary to the urban reserve provisions in HB 2001, which just passed by the House by a large and bipartisan margin. The Oregon Housing Needs Analysis (OHNA) in HB

2001 provides an easier path for all cities to designate urban reserves and use them when a UGB expansion is needed. We support that. SB 1051 undermines this thoughtful provision and the trust that participants put into that bill.

SB 1051 risks distracting cities from more effective, comprehensive housing solutions. Even if a city ultimately denies a private landowner's petition, the process takes time and effort from more immediate housing solutions that deliver workforce housing where people need it – throughout a city, in every neighborhood.

SB 1051 also risks a “bait and switch” situation. The bill requires an agreement from a city “to ensure” that all urban services will be provided within two years of a UGB expansion – an ambitious and probably unrealistic time frame for building the needed pipes and roads. *What happens if the infrastructure is not provided, at all or on time?* Failure to deliver the infrastructure could break the commitment to build workforce housing, and puts the underlying purpose of the bill at risk, leaving up to 200 acres of land available for any type of private development.

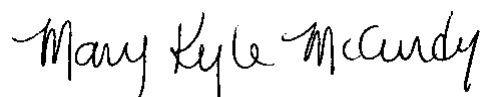
The current land use process to expand UGBs works quickly. From 2016 to 2021, Oregon's cities approved 35 UGB expansions – almost all of them completed at the city level, in under a year, with no appeal (only two were appealed). If cities face a need for any type of housing, the current, comprehensive process works; there is no need to bypass the law.

Finally, SB 1051 allows cities under 3,500 in population to expand into an urban reserve for *any* use. That is essentially a free pass for smaller cities to expand their UGBs by up to 200 acres for any use, just upon the request of an individual landowner, without showing there is a need for more land. This undermines sensible urban planning, threatens farm land, enables sprawl, and will not lead to housing for people of middle and lower incomes. Smaller cities need funds for staff and infrastructure to develop their existing lands.

Please do not further SB 1051.

Thank you for consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Mary Kyle McCurdy". The signature is written in a cursive, flowing style.

Mary Kyle McCurdy
Deputy Director